

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 8/7/2012	(3) CONTACT/PHONE Reva Bear 781-1835	
(4) SUBJECT Request to approve the Workforce Investment Act (WIA) subgrant agreement (Clerk's File) with the State of California for the receipt of Youth funds in the amount of \$873,452 and approve the plan for the Fiscal Year 2012-2013 WIA formula funds budget totaling \$2,300,413.			
(5) RECOMMENDED ACTION It is recommended that the Board: (1) Approve and instruct the Chairperson to sign the Workforce Investment Act (WIA) subgrant agreement (K386330) with the State of California Employment Development Department for receipt of WIA Youth funds, (2) Approve a Resolution delegating signatory authority for all Workforce Investment Act (WIA) administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director, and (3) Approve plan for the FY 2012-2013 WIA formula funds budget totaling \$2,300,413.			
(6) FUNDING SOURCE(S) Federal/State Workforce Investment Act funds	(7) CURRENT YEAR FINANCIAL IMPACT WIA Youth only: \$873,452 WIA Total FY 12-13 plan: \$2,300,413 (revenue)	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date <u>July 19, 2011</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Reva Bear
781-1835

DATE: 8/7/2012

SUBJECT: Request to approve the Workforce Investment Act (WIA) subgrant agreement (Clerk's File) with the State of California for the receipt of Youth funds in the amount of \$873,452 and approve the plan for the Fiscal Year 2012-2013 WIA formula funds budget totaling \$2,300,413.

RECOMMENDATION

It is recommended that the Board:

- (1) Approve and instruct the Chairperson to sign the Workforce Investment Act (WIA) subgrant agreement (K386330) with the State of California Employment Development Department for receipt of WIA Youth funds,
- (2) Approve a Resolution delegating signatory authority for all Workforce Investment Act (WIA) administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director, and
- (3) Approve plan for the FY 2012-2013 WIA formula funds budget totaling \$2,300,413.

DISCUSSION

On March 11, 2008, your Board designated the Department of Social Services (DSS) as the Administrative Entity and Fiscal Agent for the local workforce investment area. In this capacity, DSS receives WIA funds directly from the State, distributes funds to program providers and provides administrative and fiscal support and oversight of WIA programs and operations.

Approval of this item will allow the County to receive WIA Youth funds from the State of California. WIA Youth funds are intended to support employment, training, and education services to youth. This WIA Youth subgrant agreement is the foundation document for receipt of all WIA formula funds. The State releases the other formula WIA allocations to the County as unilateral modifications to this subgrant agreement. A modification to this agreement incorporating WIA Adult, Dislocated Worker, and Rapid Response funds for program year 2012-2013 is expected early in FY 2012-2013.

Approval of the attached Resolution delegating signatory authority to the Social Services Director for all WIA administrative documents is pursuant to direction from the State, and will mean that no further action by the Board will be necessary to receive the FY 2012-2013 Adult, Dislocated Worker, and Rapid Response WIA formula funds.

The WIA funds are 100% federally funded and distributed to the states for allocation to counties via subgrant agreements. The total funding allocated for FY 2012-2013 is \$2,300,413 which is \$169,575 more than FY 2011-2012 or a net increase of 8.4%. Funding allocations for the local area in a given year depend upon the dollars allocated to California from the Federal Government and the percentage of that allocation that is awarded to a local area. A local area's percentage is based on the number of unemployment insurance claims, the unemployment rate, and the number of economically disadvantaged adults and youth in the local area. These funds will be used to support WIA direct service programs and administrative and fiscal costs. The allocation for each fund stream is detailed below:

Fund Stream	Total Allocation	Comments
Adult	\$643,849	Confirmed via notice from the State
Dislocated Worker	\$657,812	Confirmed via notice from the State
Youth	\$873,452	Confirmed via notice from the State
Rapid Response	\$125,300	Estimated based on prior year allocation amounts
Total	\$2,300,413	Uses of funds are detailed below

Direct Service Costs

Of the total FY 2012-2013 funding allocated to the Adult, Dislocated Worker, and Youth fund streams, your Board approved a contract, in the amount of \$1,580,109, for WIA Adult, Dislocated Worker, and Youth services with Goodwill Industries on July 10, 2012(see table below). Of the estimated FY 2012-2013 Rapid Response allocation, \$107,790 has been made available to contractors for allowable activities as detailed below:

Fund Source	Use	Recipient	Comments
Adult \$435,293	One-Stop operation and direct services to eligible adults	Contract with Goodwill Industries	RFP completed in early 2012
Dislocated Worker \$472,367	One-Stop operation and direct services to eligible dislocated workers	Contract with Goodwill Industries	RFP completed in early 2012
Youth \$672,449	Direct Services to eligible in-school and out-of-school youth ages 16-21	Contract with Goodwill Industries	RFP completed in early 2012. Goodwill will subcontract for services with Cuesta College.
\$1,580,109	Total Goodwill Contract		
Rapid Response* \$33,895	Direct services to employers and workers in response to layoffs	Purchase Order with Goodwill Industries	RFP completed in late 2012
Rapid Response* \$33,895	Direct services to businesses to assist with layoff aversion, retention, and expansion	Purchase Order with the Economic Vitality Corporation (EVC)	RFP completed in late 2012
Rapid Response* \$40,000	Implementation of Countywide economic strategy	Purchase Order with EVC	Sole Source procurement

*Reflected in the WIB Set Aside budget described in the operating costs table below.

The remaining FY 2012-2013 allocation will be used for operating costs.

Operating Costs

In FY 2012-2013, the WIB set-aside budget, operating costs, and administrative entity and fiscal agent staff salaries will be funded with the remaining funds. These costs are outlined in the table below:

Use of Funds	FY 2011-12	FY 2012-13	Comments
WIB Set Aside	\$50,000	\$177,090	Includes \$107,790 in Rapid Response funds for the aforementioned business outreach and rapid response direct service contracts. See explanation below.
DSS Admin Entity/ Fiscal Agent Salary Costs	\$452,000	\$474,815	Staff positions include the following: <ul style="list-style-type: none"> • 1 Administrative Services Manager (WIB Director) • .9 FTE Program Manager II • 2 Program Review Specialists • .5 FTE Administrative Assistant III to support the WIB • .06 FTE Departmental Administrator (fiscal

			staff) <ul style="list-style-type: none"> .01 FTE Administrative Services Officer II (fiscal staff) Total staff positions are consistent since FY 2010-2011. Changes in costs from the prior year are due to regular pay step increases.
DSS Operating Costs	\$90,000	\$68,400	Data management subscription, County Auditor services for annual fiscal compliance review, WIB website hosting, copier maintenance, and staff travel.
TOTAL:	\$592,000	\$720,305	

Specifically, \$177,090 will be set aside for the WIB for use in implementing its programs, such as the aforementioned Rapid Response procurements, planning and development, outreach (sponsorship of job fairs), program expansion (funding new initiatives), and WIB Director and member conference and travel costs. The increase in FY 2012-2013 is due to the Administrative Entity's recommendation that all available funding not specifically designated for direct services contracts or staffing at the beginning of each program year be explicitly identified so that the WIB is aware and included in the decision making process for the funds.

WIA requires extensive oversight including programmatic and operational support to include annual program compliance monitoring reviews of all WIA subcontractors, staffing the WIB and its committees, the provision of technical support to service providers, and management information system administration for tracking and reporting services provided to WIA customers. Local administration of the WIA also requires fiscal support including competitively procuring WIA services, managing WIA service contracts, issuing purchase orders, participating in annual fiscal compliance reviews by the State, fiscal reporting to the State, and outside audit resolution. Therefore, \$474,815 is earmarked to contribute towards costs incurred by the DSS for administrative entity and fiscal agent services including salary costs for all WIA program staff responsible for these administrative, programmatic, and fiscal oversight and support activities.

The remaining \$68,400 is needed to cover DSS operating expenses, which include annual subscription costs for the management information system used to report to the State, other information technology costs, California Workforce Association dues for the WIB, staff travel, supplies, and training. County Auditor services for annual fiscal and procurement monitoring of WIA subcontractors are funded as well.

OTHER AGENCY INVOLVEMENT/IMPACT

The Workforce Investment Board (WIB) of San Luis Obispo County participates in oversight of all WIA funded programs. County Counsel has reviewed and approved the resolution.

FINANCIAL CONSIDERATIONS

Approval of this item will allow the County to receive WIA Youth funds from the State in the amount of \$873,452 and enable receipt of the total WIA formula allocation of \$2,300,413 for FY 2012-2013. The WIA formula budget estimate was included in the DSS budget for fiscal year 2012-2013. This item will have no impact on the County's General Fund.

RESULTS

This item will allow the County to receive WIA funds from the State, comply with State instructions to provide a Resolution assigning signatory authority for WIA agreements, and comply with WIA regulations requiring the chief local elected officials' approval of the WIA budget.

ATTACHMENTS

1. Resolution
2. WIA Subgrant Agreement (Clerk's File)